(iii) Wool

SI. No.	Name of the Scheme	Funds released from 2002-03 to 2004-05
1.	Sheep & Wool Improvement Scheme	Rs. 1.41 Cr.
2.	Integrated Angora Wool Development Project	

(iv) Silk

SI. No.	Name of the Scheme	Funds released from 2002-03 to 2004-05
1.	Catalytic Development Programme	Rs. 4.43 Cr.

Share of Indian textile industry in international market

886. SHRI SANJAY RAUT: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have taken any new initiatives for expanding share of Indian textile industry in international markets;

(b) if so, the details thereof;

(c) what are the main reasons and obstacles for enhancing textile exports in the country; and

(d) how Government are going to tackle these problems for the benefit of textile industry?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) The Government has been taking a number of steps from time to time for the benefit of the Indian textile industry including increasing share in international markets. Some of the important initiatives taken are given as under:—

i) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

ii) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

iii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

iv) To improve the productivity and quality of cotton, Government has launched the Technology Mission on Cotton (TMC). Incentives are provided for better farm practices, quality seeds, improvement in market infrastructure and modernisation of ginning & pressing sector.

v) To provide the industry with world class infrastructure facilities for setting up their textile units, a new scheme namely, 'Scheme for Integrated Textile Parks' has been launched by merging existing two schemes *i.e.* Textile Centre Infrastructure Development Scheme (TCIDS) and Apparel Park for Exports Scheme (APES). Government of India support under the scheme by way of grant or equity shall be limited to 40% of the project cost subject to a ceiling of Rs. 40 crores.

vi) 'Apparel Park for Exports Scheme (APES)' was launched with the objective of imparting a focused thrust for setting up apparel units of international standards at potential growth centres, and to give a fillip to exports. Under APES, 12 projects have been sanctioned with an estimated support from Government of India of Rs. 191.70 crores.

vii) For upgrading infrastructure facilities at important textile centres, the 'Textile Centre Infrastructure Development Scheme (TCIDS)' was launched. Under TCIDS, 18 projects have been sanctioned with an estimated support from Government of India of Rs. 270.80 crores.

viii) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given an option of excise expemption.

ix) The import of specified textiles and garment machinery items has been allowed at a concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

x) For the speedy modernisation of the textile processing sector, Government has introduced, *w.e.f.* 20.4.2005, a credit linked capital subsidy scheme @ 10% under TUFS, in addition to the existing 5% interest reimbursement.

xi) The National Institute for Fashion Technology (NIFT), its seven branches, and the Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet the skilled manpower requirements of the textile industry, especially apparel, in the field of design, merchandising and marketing.

xii) Facilities like eco-testing laboratories have been created to enable exporters to get garments/textiles pre-tested so that they conform to the requirements of the importing countries.

(c) Main obstacles for enhancing textile exports, *inter alia,* include the following:—

- United States (US), European Union (EU) and Canada account for major share of world trade in textiles, and due to the quota restrictions imposed by these countries till 31st December, 2004 under the erstwhile Multi-Fibre Arrangement, India's export growth to these markets was restrained.
- Lack of investments towards modernisation and technological up-gradation, particularly in weaving and processing segments, are the weak areas that have been inhibiting the growth of textile exports in real terms.
- Duty free access to some of our competitors in major markets through Preferential Trading Agreement and Generalised Scheme of Preferences.
- High tariff on finished products imposed by some major importing countries.

(d) The steps taken by the Government to tackle the problems have been enumerated above in reply to parts (a) & (b) of the question. Further, after removal of the quota restrictions, Indian textiles exports to US, EU etc. have shown increasing trend.

Removal of textile items from the ambit of ECA

887. SHRI RAJKUMAR DHOOT: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government have decided to remove all textile items from the ambit of Essential Commodities Act except for hank yarn;

(b) if so, details thereof and if not, the reasons therefor; and